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## Before the FEDERAL COMMUNICATIONS COMMISSION FEDERAL CUMMUNICATIONS COMMISSION Washington, D.C. 20554 OFFICE OF THE SECRETARY

In re Applications of

MM DOCKET NO. 93-246

KB BROADCASTING, INC.

File No. BPH-920604MC

LYNN KETELSEN

File No. BPH-920604MD

For a Construction Permit for a New FM Station on Channel 265A at Blooming Prairie, Minnesota

To: Administrative Law Judge Richard L. Sippel

## MASS MEDIA BUREAU'S COMMENTS ON JOINT REQUEST FOR APPROVAL OF SETTLEMENT AGREEMENT

- 1. On October 8, 1993, KB Broadcasting, Inc. ("KB") and Lynn Ketelsen ("Ketelsen") filed a Joint Request for Approval of Settlement Agreement ("Joint Request"). On October 25, 1993, KB filed a Supplement to Joint Request. The Mass Media Bureau submits the following comments.
- 2. The Joint Request is accompanied by a settlement agreement which contemplates the dismissal of the KB application and the grant of the Ketelsen application. In consideration for the dismissal of the KB application, Ketelsen proposes to pay KB the sum of \$13,000, which amount represents KB's legitimate and prudent expenses incurred in connection with the preparation and prosecution of its application. Ketelsen also proposes to grant KB a right of first refusal to purchase the new FM station and a conditional option,

subject to FCC approval, to acquire the facility at a future date.

- 3. A principal of KB and Mr. Ketelsen state that the settlement agreement would serve the public interest by hastening the earlier inauguration of a new FM radio service at Blooming Prairie, Minnesota. Both individuals also declare that their respective applications were not filed for the purpose of reaching or carrying out a settlement. In its supplemental filing, KB also provides documentation in support of its legitimate and prudent expenses.
- 4. The Bureau submits that the Joint Request satisfies the requirements of § 73.3525 of the Commission's Rules, which implements § 311(c)(3) of the Communications Act of 1934, as amended. Specifically, a copy of the settlement agreement has been timely filed, and the applicants have established that approval of the agreement would serve the public interest and that neither application was filed for an improper purpose. Additionally, KB has demonstrated that the monetary consideration that it will receive does not exceed its legitimate and prudent expenses. See Settlement Agreements, 6 FCC Rcd 85 (1990), modified, 6 FCC Rcd 2901 (1991). Furthermore, Ketelsen is basically qualified to be a Commission permittee.
- 5. Based on the foregoing, the Joint Request should be granted, the settlement agreement should be approved, the KB application should be dismissed with prejudice,

<sup>&</sup>lt;sup>1</sup> By Order, FCC 93M-667 (released October 21, 1993), the Presiding Judge accepted an amendment filed by Ketelsen which the <u>Hearing Designation Order</u>, DA93-1047 (released September 20, 1993), at paras. 9 and 3, had required Ketelsen to submit.

and the Ketelsen application should be granted.

Respectfully submitted,

Roy J. Stewart Chief, Mass Media Bureau

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Gary P. Schonman

Attorney

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October 28, 1993

## **CERTIFICATE OF SERVICE**

I, Michelle C. Mebane, a secretary in the Hearing Branch, Mass Media Bureau, certify that I have, on this 28th day of October 1993, sent by regular United States mail, U.S. Government frank, copies of the foregoing "Mass Media Bureau's Comments on Joint Request for Approval of Settlement Agreement" to:

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